

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

28 May 2012

**Joint Report of the Director of Health and Housing and Cabinet Member for
Housing**

Part 1- Public

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken
by the Cabinet Member)**

1 PRIVATE SECTOR HOUSING UPDATE

Summary

This report sets out the proposed notional allocation for Russet from the 2012/13 Disabled Facilities Grant budget and the support for the Yorkshire Energy Services free insulation scheme and other similar schemes for homeowners in the borough.

This report also updates Members on the following:

- **Home Improvement Agency Service contracts & Advisory Group;**
- **Disabled Facilities Grant spend in 2011/12;**
- **Housing Assistance spend in 2011/12;**
- **the private sector house condition survey;**
- **the National Landlord Association (NLA) landlord accreditation scheme supported by the Council;**
- **the Landlord Forum held on 9 May 2012;**
- **Internal Audit of Disabled Facilities Grants.**

1.2 Notional allocation for Russet from the 2012/13 Disabled Facilities Grant budget

1.2.1 Members are aware that for the last three years we have agreed a notional allocation with Russet from our Disabled Facilities Grant (DFG) budget.

1.2.2 The Council's DFG budget for 2012/13 is expected to be £618,000 made up of £201,000 Council funding, £410,000 Government funding and £7,000 underspend carry forward from 2011/12.

- 1.2.3 We propose a notional allocation to Russet of £250,000 for 2012/13. This is based on the level of spend they achieved in 2011/12 and the match funding of £250,000 they are prepared to put towards their tenants' major adaptations again in 2012/13. The Director of Health & Housing will however advise Russet that we will review this allocation in early October 2012 to check actual spend and commitment and we reserve the right to reduce this figure if we feel £250,000 actual spend will not be achieved.
- 1.2.4 As this allocation (if fully spent) represents 40 per cent of our total DFG budget we are extremely pleased with this position now reached with Russet. Members will recall in previous years our spend was upward of 70 per cent of the DFG budget on Russet properties. We feel we have now reached a much better position in terms of the DFG budget being spent proportionally across the tenures in the borough. Russet's commitment to undertaking major adaptations for their tenants in terms of both practical and financial assistance is to be commended and we believe is unique in Kent.

1.3 Yorkshire Energy Services (YES) insulation scheme

- 1.3.1 The Council has been approached by Yorkshire Energy Services who are looking to work in the area promoting their national free insulation scheme to homeowners.
- 1.3.2 The scheme utilises Carbon Emission Reduction Target (CERT) funding from two utility companies, and is a limited offer as CERT is coming to an end in December 2012. It is not a requirement to use the utility company logo on promotional material.
- 1.3.3 The scheme provides free cavity wall and loft insulation (where less than 60mm currently) to homeowners and private tenants. Where there is more than 60 mm of loft insulation a loft top up fee applies of £159.00. Some local authorities have chosen to top up the CERT funding to offer a tailored scheme to provide free loft insulation top ups.
- 1.3.4 These figures are based on an average sized property and a further charge would apply if the property is larger at an excess metreage cost of £5.00 per square metre. In addition to provide an accessible loft hatch where none is present will cost £90.00 and the cost of scaffolding if required is additional.
- 1.3.5 YES are a community interest company, where we are advised, "*a proportion of the organisation's profits are re invested into programmes that strengthen UK communities and fight fuel poverty*". In April 2012 the Department of Energy and Climate Change advised YES had been selected as a pioneer Green Deal provider to support the pilot Green Deal scheme.
- 1.3.6 YES currently co-ordinates insulation programmes in partnership with Hampshire County Council (and Districts), Leeds City Council and Wakefield Metropolitan

Council. They have recently launched a depot in Andover and have expanded to work with a national network of installers.

- 1.3.7 YES is seeking Council endorsement and branding for the scheme promotional literature, public relations and access to household address data. Clearly we will only release information that will comply with the Data Protection Act. The marketing options for the scheme are agreed with the local authority.
- 1.3.8 In return the Council will receive a referral fee for every completed installation:
- Cavity wall and loft insulation (less than 60mm) £20
 - Top up loft insulation £10
- 1.3.9 Local authorities are able to use their own scheme brand such as “Wrap up Leeds”, and all literature is dual branded with YES.
- 1.3.10 YES deliver the scheme through agreed marketing options. Owners can contact a 0800 enquiry line or the YES website. YES manage the installation process through a framework of installers, undertaking 100 percent customer satisfaction surveys and 5 percent of installations are inspected by an independent contractor.
- 1.3.11 We understand that the following installations were recently achieved through a combination of marketing options, including door to door visits:
- Insulate Hampshire (over County area) 3,400 measures were completed in 8 months.
 - Wrap up Leeds 1,400 measures were completed over 3 months.
- 1.3.12 There are other schemes operating which offer free and discounted insulation, for example some utility companies offer free insulation. Due to the CERT funding mechanism other schemes also offer discounted loft top ups at varying rates.
- 1.3.13 To endorse a scheme the Council will need to obtain references and undertake checks to ensure the company meets minimum criteria for public liability insurance, health and safety, equality, also to make enquiries regarding the tender process for installation contractors and that CRB checks have been undertaken for contractors.
- 1.3.14 The above schemes have a limited life as CERT funding is coming to an end later this year and a scheme being considered now would therefore only run for a 4 to 5 month period. We understand that door to door promotion can improve uptake of the scheme but we propose that if Members endorse the scheme that it is advertised on our website and promoted in Council publications and by leaflet drops.

1.3.15 If the Council endorses this scheme, subject to the checks in 1.3.13 being satisfactory, we must also be prepared to consider enquires to endorse other similar schemes.

1.4 Home Improvement Agency Service contracts & Advisory Group

1.4.1 Members are aware of the delay in Kent County Council Supporting People Team (KCC) tendering for a Home Improvement Agency (HIA) service across Kent. This process is now ongoing and KCC hope to have a new contract in place from 01 October 2012.

1.4.2 As a result of this delay, we are about to enter into a new contract with In Touch for the six month period from 01 April 2012 to 30 September 2012. This ensures our residents continue to receive a Home Improvement Agency service until the new contract arrangements take over.

1.4.3 Members will be aware from previous HIA Advisory Group minutes (10/5/11) reported into this Board that the format of the HIA Advisory Group was to change. The HIA now intend to hold a "showcase" event once a year where local advice/voluntary agencies will be encouraged to attend and exchange information as well as a forum for service users to feed into the service. In addition the monitoring of the HIA will be undertaken on a regular basis via a stakeholder/commissioners meeting between the local authorities including KCC and the HIA.

1.4.4 A stakeholder/commissioners meeting was held on 9 February 2012 where monitoring reports for the year to end were produced. Tonbridge & Malling did not have any specific issues to raise at the meeting.

1.4.5 A "showcase" event was planned for November 2011, however unfortunately this had to be cancelled. A date of 25 June 2012 has now been set for this event and it will be held at Tonbridge & Malling B.C. offices.

1.5 Disabled Facilities Grant spend in 2011/12

1.5.1 The Disabled Facilities Grant budget for 2011/12 was £676,062. This is made up of an original £634,000 in the Capital Plan (£410,000 Government allocation, £201,000 Council funding, £23,000 underspend from 2010/11) plus an additional £42,062 Government funding allocated late in 2011/12.

1.5.2 The DFG spend in 2011/12 was £669,506 and the underspend of £7,000 is expected to be carried forward into 2012/13.

1.5.3 I understand Russet also spent a further £250,000 on major adaptations for their tenants taking the overall investment on major adaptations in the borough to over £900,000.

1.5.4 This is an excellent result and a great testament to the team approach delivering on DFGs which includes us, Russet, In Touch Home Improvement Agency and the Occupational Therapy Service.

1.6 Housing Assistance spend in 2011/12

1.6.1 The Housing Assistance budget for 2011/12 was £281,000 of which £81,000 was the amount of funding remaining from the Regional Housing Board funding allocated in 2010/11.

1.6.2 The Housing Assistance spend in 2011/12 was £169,000 and the under spend of £112,000 is expected to be carried forward and spread over the next five years. A large proportion of this under spend was as a result of not progressing the South Coast Money Line loan scheme.

1.6.3 This spend resulted in 34 properties (three of which were empty homes) being improved and meeting the Decent Homes standard, 20 of those for vulnerable (in receipt of an income or disability related benefit) households.

1.6.4 Officers are currently considering changes to the Housing Assistance Policy to replace the South Coast Money Line loan scheme with, for example, financial assistance for landlords to link in with landlord accreditation; energy efficiency measures to link in with the Government's 'Green Deal' scheme; and the provision of emergency heaters for vulnerable owner occupier households if the heating has broken down and there is a delay before a heating contractor can repair it. Any changes to the Housing Assistance Policy will be brought to Members at a future meeting of this Board.

1.7 Update on the private sector house condition survey

1.7.1 At the November 2011 meeting of this Board it was reported that Officers were considering the costs and value for money of a housing stock modelling approach versus the traditional house condition survey to obtain reliable and informative data on the condition of the housing stock.

1.7.2 Previously the Council has undertaken traditional stock condition surveys to review house conditions in the area. The latest survey in 2006 involved a sample survey of approximately 1200 homes representing approximately three percent of private dwellings in the borough. As the sample size was sufficiently large it permitted reporting at five sub area levels.

1.7.3 Traditional house condition surveys are however resource intensive and more expensive than a desk top survey; the last survey undertaken cost £46,700.

1.7.4 In a traditional survey households are selected at random and resident participation is voluntary. At the last survey there were difficulties in achieving sufficient access and some residents whose properties were selected disliked the idea of their house being surveyed.

- 1.7.5 A housing stock modelling approach produces a series of models describing the housing conditions in an area. It is a desk top model approach utilising data from National datasets, such as the English House Condition Survey and basic dwelling information. The model data is provided as a database and presented in spreadsheet form and as a series of maps.
- 1.7.6 Since 2003 over 230 local authorities in England have used the Building Research Establishment (BRE) stock modelling service. The BRE is an independent and impartial consultancy owned by the BRE Trust, which seeks *“to champion excellence and innovation in the built environment”*. Locally, Sevenoaks District Council undertook this approach in 2010 to review stock in their area.
- 1.7.7 BRE stock modelling is able to provide information to small area levels that is based on census output area levels, for example street level. This can be seen as an advantage over the traditional house condition survey. However, since meeting with the BRE, officers understand that a new methodology has been prepared which provides estimates on key housing indicators for each dwelling.
- 1.7.8 The following housing indicators are included:
- Category 1 Housing Health and Safety Rating System hazard;
 - Category 1 hazard for excess cold;
 - Category 1 hazard for falls;
 - estimated Standard Assessment Procedure (SAP) rating;
 - presence of a household in fuel poverty;
 - indication of disrepair in relation to the Decent Homes standard; and
 - presence of a vulnerable household where a member of the household is in receipt of an income or disability related benefit.
- 1.7.9 North Tyneside Council recently undertook a validation of the BRE’s stock modelling and found it to be *“a cost effective and robust method of building a picture of housing conditions in the private sector, providing the projections are regularly amended with up- to- date local data”*.
- 1.7.10 The Audit Commission issued supplementary guidance on undertaking house condition surveys in 2009. The guidance recommended that Council’s utilise a combination of desktop and street surveys to gather reliable and informative data.
- 1.7.11 The BRE has provided an estimate of potential cost of the stock modelling exercise which includes a basic fee of £16,000 exclusive of VAT to produce modelled outputs to dwelling level. The exercise would be undertaken over a 6 week period, and does not require any information or input from the Council.

- 1.7.12 For a further fee of £1,980 the BRE can obtain a 12 month licence to obtain tenure data from Experian, which can provide the potential to identify private rented dwellings. This extra data is optional, however the BRE recommend purchasing the licence to utilise this data, as private rented properties are a key focus for local authority housing policy.
- 1.7.13 The desk top survey can be followed up with targeted house condition surveys in particular areas if necessary.
- 1.7.14 Once the Council has undertaken the modelling exercise, we can also consider using the modelled data as a base for developing a private sector stock condition database. This would be a separate exercise, integrating the Council's own data with the modelled data. The database could then be regularly updated with local data and reduce the need for further house condition surveys.

1.8 The NLA landlord accreditation scheme

- 1.8.1 Members may remember at the November 2010 meeting of this Board it was agreed that we would support and promote the NLA landlord accreditation scheme to landlords with properties within the Tonbridge and Malling area.
- 1.8.2 To obtain NLA accredited status the landlord must:
- complete an attendance based foundation course (discounted for NLA members), or online via the NLA Landlord Library (free to members);
 - sign up to the NLA Code of Practice and Scheme Rules; and
 - agree to an Independent Dispute Resolution system and a set level of continued professional development each year.
- 1.8.3 The benefits to a landlord of becoming an NLA accredited landlord are it will:
- develop and improve property management skills;
 - give access to the latest information on key issues and legislation affecting landlords;
 - allow the landlord to use the NLA landlord accredited logo on marketing information; and
 - be part of a nationally recognised scheme.
- 1.8.4 The benefit to prospective tenants of having an accredited landlord is they have some re-assurance that their landlord is an informed and responsible landlord. They also have a means of remedying any disputes with their landlord without the need to go through a protracted, potentially costly legal case.

- 1.8.5 Unfortunately because of the high demand for private rented property in the borough and the low supply, the benefits of becoming an accredited landlord in 1.8.3 alone are not sufficient to attract landlords to become accredited and adequately house those most in need.
- 1.8.6 Research by the NLA has identified that if some or all of the following incentives are offered by local authorities it can raise the profile of accreditation in their area and the availability of housing:
- free or reduced cost training for landlords;
 - use of the Council website to list all accredited landlords with housing in the area;
 - discount on any House in Multiple Occupation (HMO) licence fee;
 - free property advertising on the Council website;
 - utilise accredited landlord properties only as part of the rent deposit bond/rent in advance scheme and speed up the process hence reducing the landlord void time;
 - freebies, for example Carbon Monoxide detectors/alarms or window restrictors;
 - to have a dedicated contact within the housing team and housing benefits; and
 - financial assistance for property improvements, for example improving the energy efficiency of their properties such as replacing old energy inefficient boilers with new 'A' rated condensing boilers; or fitting secondary glazing for listed or conservation area properties.
- 1.8.7 Officers are to explore the feasibility of implementing some or all of the above ideas to increase the amount of accredited landlords with housing in our area and increase the numbers of decent, well managed properties. Particularly also to increase the number of decent, well managed properties available to house families for whom the Council owes a duty under homelessness legislation.

1.9 Landlord Forum

- 1.9.1 On 9 February 2012 a forum was held at the Camden Centre, Tunbridge Wells. Approximately 40 landlords attended and heard presentations on welfare changes, new ways to find tenants, what help local housing support groups can provide for landlords, an update from Kent Credit Union and a general round up on current issues affecting private landlords.

1.9.2 The next forum is being held at Sevenoaks D.C. on 21 May 2012 and in October the annual landlord fair with presentations, workshops and stands will again be held at Tonbridge & Malling B.C. I will of course keep Members updated through this Board.

1.10 Internal Audit of Disabled Facilities Grants

1.10.1 In February 2012 Internal Audit concluded an audit into the Disabled Facilities Grant process.

1.10.2 The audit looked to ascertain if there are arrangements in place which reflect current legislation. I am pleased to report that the audit concluded this area was not exposed to foreseeable risk, as key controls exist and they are applied consistently and effectively.

1.10.3 The audit also looked to ascertain if there are effective arrangements in place to verify, process and pay Disabled Facilities Grants. I am pleased to report the audit opinion was that the controls in place were substantial.

1.10.4 Audit identified five recommendations to improve the system and I am pleased to report all these have now been actioned.

1.11 Legal Implications

1.11.1 DFGs are a mandatory grant and valid applications have to be approved or refused within six months.

1.11.2 Housing Association tenants are entitled to make a DFG application to the local housing authority and that authority must consider it and make a decision on approval or refusal as detailed above.

1.11.3 The Council has a legal duty to keep the housing conditions in their area under regular review. This duty is usually met by undertaking a house condition survey on a regular basis, approximately every five years.

1.12 Financial and Value for Money Considerations

1.12.1 The proposed ongoing financial commitment from Russet to major adaptations in their tenants' homes allows the Council to better manage the demand on its budget and more equitably meet need across all tenures.

1.12.2 The YES insulation scheme and other similar insulation schemes do not require any capital budget outlay by the Council and utilise existing government CERT funding.

1.12.3 The funding for the private sector house condition survey has already been included in the budget for 2012/13.

1.12.4 The funding for any grant incentives for landlords to become accredited and offer their accommodation for homeless persons or those at threat of homelessness is already included in the capital Housing Assistance budget.

1.13 Risk Assessment

1.13.1 Failure to take account of recognised good practice, for example landlord accreditation may compromise the Council's ability to raise standards in the private rented sector and maximise the use of existing private rented housing.

1.14 Equality Impact Assessment

1.14.1 See 'Screening for equality impacts' table at end of report

1.15 Policy Considerations

1.15.1 The broad range of activities progressed in this paper are making a positive contribution to improving the lives and living conditions of vulnerable households within the borough, thereby impacting the policy agenda in relation to healthy lifestyles, equality and diversity, safeguarding children and sustainability.

1.16 Recommendations

1.16.1 **CABINET** is **RECOMMENDED** to:

1.16.2 **ENDORSE** the notional allocation to Russet from the Disabled Facilities Grant budget of £250,000;

1.16.3 **COMMEND** Russet for their proposed ongoing financial commitment to funding major adaptations for their tenants;

1.16.4 **ENDORSE** the promotion and support for the YES insulation scheme and other similar schemes to homeowners with properties within the Tonbridge and Malling area.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

Nil

contact: Linda Hibbs/Hazel
Skinner

John Batty
Director of Health and Housing

Councillor Jean Atkinson
Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	The additional funding provided by Russet Homes for disabled facilities grant adaptations increases the opportunity for residents in the borough with a disability to access DFG funding for adaptations to their home and allow them to live in their home with a degree of independence.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Not applicable.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.